



DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND SOUTHWEST
1220 PACIFIC HIGHWAY
SAN DIEGO, CALIFORNIA 92132-5190

IN REPLY REFER TO:

RRA40.KL
1 May 2018

VIA E-MAIL TO: kent.weingardt@tetrattech.com

Tetra Tech EC Inc.
Attn: Kent Weingardt
1230 Columbia St, Suite 750
San Diego CA 92101

Subject: RADIOLOGICAL SUPPORT AT HUNTERS POINT NAVAL SHIPYARD (HPNS), SAN FRANCISCO, CA

Encl: (1) Draft Radiological Data Findings Report for Parcels B & G Soil, September 2017
(2) Draft Radiological Data Findings Report for Parcel C Soil, November 2017
(3) Draft Radiological Data Findings Report for Parcel E Soil, December 2017

This letter is to notify Tetra Tech EC, Inc. (Tetra Tech) of the Department of the Navy's (DoN) dissatisfaction with Tetra Tech's performance under the task orders identified below for radiological support at Hunter's Point Naval Shipyard (HPNS).

- a. N62473-08-D-8823-0002: Fisher and Spear Avenues Storm and Sanitary Sewer Removal
- b. N62473-08-D-8823-0003: Crisp Road Sanitary Sewer System/Storm Drain Removal; Radiological Remediation and Support
- c. N62473-10-D-0809-0002: Parcel C Radiological Remediation and Support
- d. N62473-10-D-0809-0004: Basewide Radiological Support Operation at Hunters Point Naval Shipyard
- e. N62473-10-D-0809-0007: Parcel E, 500 Series Area Radiological Remediation and Support
- f. N62473-10-D-0809-0012: Parcel C Phase II Radiological Remediation and Support
- g. N62473-10-D-0809-0015: Parcel E Sanitary Sewer and Storm Drain Radiological Remediation and Support
- h. N62473-10-D-0809-0016: Parcel C Phase III Radiological Remediation and Support
- i. N62473-12-D-2006-0004: Radiological Survey of Buildings 253 and 211 Parcel C at HPNS
- j. N62473-07-D-3211-0018: Basewide Radiological Support
- k. N62473-07-D-3211-0019: Parcel B Sewer and Storm Drain TCRA Close Out
- l. N62473-06-D-2201-0003: Parcel B, D, & E-2 Draft Feasibility Study ; Contingency Response; and Public Meeting Support
- m. N62473-06-D-2201-0006: Basewide Radiological Support
- n. N68711-98-D-5713-0072: Basewide Radiological Surveys and Remediation
- o. N68711-98-D-5713-0084: TCRA and RAD Screening Parcel E PCB Soil Excavation Site
- p. N44255-01-D-2000-0070: Parcel D (Sewer removal and Surveys)

The Navy contracted with Tetra Tech under these task orders to prepare planning documents, investigate radiological contamination, conduct remediation, dispose of radioactive waste, and document these activities to support closure of radiologically-impacted sites and buildings at HPNS. The objective of this

extensive and costly undertaking was to clean-up any radiological contamination and achieve free release certifications from state and federal regulators that would allow for the disposal of the affected property consistent with existing plans. Tetra Tech's failure to perform this work in accordance with its contractual obligations, however, has jeopardized this objective. The applicable regulatory agencies have revoked free release certifications previously provided for some of the affected properties, and have otherwise indicated that Tetra Tech's data collection work in support of the free release of the properties is suspect.

As a result of these concerns, the Navy engaged a third party, CH2M Hill, to review Tetra Tech's data. This review identified significant anomalies in Tetra Tech's data and validated many of the concerns that had been identified. Copies of these draft reports are enclosed, although we understand Tetra Tech has previously been provided copies for review. In sum, the review has identified defects with Tetra Tech's data concerning 105 trench survey units, 286 fill units (also known as excavated survey units), and 102 land survey units in Parcels B, C, D-2, E, G, UC-1, UC-2, and UC-3. CH2M Hill also found anomalies in 15 of the 27 buildings evaluated. While the review also recommended specific corrective actions, it is unclear at this time whether the appropriate regulatory agencies will concur with these recommendations or may require further corrective action. In any case, it is clear that extensive rework will be required and that such work is attributable to deficiencies in Tetra Tech's performance of these orders.

In this regard, the Navy has reviewed Mr. Dan Batrack's letter to Ms. Laura Duchnak of 24 April 2018. While Tetra Tech's offer to pay for retesting is appreciated, we require a more concrete and specific proposal to evaluate the appropriateness of any such offer. It should also be noted that any corrective action will require the concurrence of the relevant regulators in order to meet the objective of free release of the affected property. In addition, please be advised that the Navy is also evaluating such other contractual remedies that may be available, including the possibility of terminating the contracts for default.

Given the seriousness of this matter, your prompt and complete response with respect to each of the above referenced task orders is requested not later than 15 May 2018. If you have any questions concerning this letter, please contact the undersigned at (619) 524-5539. For technical inquiries, please contact Ms. Danielle Janda at (619) 524-6041.

Sincerely,

KAREN BARBA
Contracting Officer